GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

STARRED QUESTION NO:495
ANSWERED ON:29.04.2002
DUES AGAINST TRAVEL AGENCIES
AMBATI BRAHMANAIAH;PRAVEEN RASHTRAPAL

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether a number of travel agencies owe huge sums of money to Air India and Indian Airlines;

(b) if so, the details of such dues owed to the Airlines;

(c) whether both Airlines are reducing the number of their accredited agents;

(d) if so, the alternate marketing strategy adopted by the government to meet challenges from the private sector;

(e) whether the Indian Airlines, Air India and Alliance Air have decided to commission of travel agents; and

(f) if so, the details thereof?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN)

(a)and (b): Yes, Sir. The total amount of sales dues owed by travel agencies to Air India as of 30.9.2001 is Rs. 194.39 crores. However, in keeping with the arrangements with these agencies, amounts due from them are received by the Airlines within 15 days, 30 days or 45 days as per the arrangements.Only amounts which are in default remain outstanding and they are subsequently adjusted with bank guarantees available in Bank settlement plan. Out of this, Rs. 5588.95 lakhs is outstanding from agents since 1981 being either disputed by them or defaulted in payment to Air India. In respect of Indian Airlines, an amount of Rs.4.64 crores is due for recovery. The amount represents accumulated dues arising over a number of years.

(c) : No, Sir.

(d) : Does not arise.

(e) and (f) : Air India and Indian Airlines have reduced the Commission of travel agents from 9 to 7 per cent effective 01.01.2002 and 1.3.2002 respectively.